



Brookfield Place  
200 Vesey Street, 20th Floor  
New York, New York 10281  
Telephone: 212-415-8600  
Fax: 212-303-2754  
www.lockelord.com

Shalom Jacob  
Direct Telephone: (212) 415-8618  
sjacob@lockelord.com

August 30, 2018

**BY ECF:**

Honorable Katherine B. Forrest  
United States District Judge  
United States Courthouse  
500 Pearl Street  
New York, New York 10007-1312

Re: Peterson v. Islamic Republic of Iran, 10 Civ. 4518 (KBF)

Dear Judge Forrest:

We are writing on behalf of Retired Judge Stanley Sporkin, the Trustee of the Peterson § 468B Fund Pursuant to 26 U.S.C. § 468B (the "Peterson Fund"), to request that the Court renew the appointment of and referral to Special Master Kathleen N. Massey (the "Special Master") with respect to the issues set forth below.

By Order Appointing Special Master dated June 7, 2017 (ECF 775), the Court appointed the Special Master with respect to certain issues. The Special Master subsequently conducted proceedings and submitted Reports & Recommendations to the Court that resolved many complicated issues and disputes. The Court adopted and confirmed each of the Reports & Recommendations. It therefore would appear that the Special Master has substantially completed the tasks the Court had referred to her.

As explained in our most recent quarterly update letter to the Court (ECF 959), the Trustee and his professionals are in the process of identifying and analyzing the remaining issues that must be addressed in order to commence final distributions from the Peterson Fund and take such actions as will be necessary to wind down and terminate the Peterson Fund in accordance with the Agreement for the Peterson § 468B Qualified Settlement Fund Pursuant to 26 U.S.C. § 468B (ECF 461).

Honorable Katherine B. Forrest  
August 30, 2018  
Page 2

The issues that must be resolved include:

1. Allocation of various assets, fees and expenses between and among certain Plaintiffs and/or certain groups of Plaintiffs (including the 13% Plaintiffs). Among the items requiring at least some allocation are the Peterson Fund's earnings, administrative expenses, and income tax obligations and refunds.
2. Allocation of some of the same assets, fees and expenses between Plaintiffs and their attorneys and between certain of the attorneys.
3. Any requests that may be made by any Plaintiffs or groups of Plaintiffs (including the 13% Plaintiffs) to receive payment of all or part of their final distributions prior to the final winding down and termination of the Peterson Fund.
4. Any issues that may arise relating to the issues previously referred to the Special Master.

While the remaining issues are smaller in magnitude than the disputes previously referred to the Special Master, they are complicated and potentially divisive. The Trustee will attempt to resolve these issues amicably among the relevant parties. However, referral of these issues to the Special Master at this time will, in the Trustee's view, likely facilitate consensual resolution of the issues, in whole or in part, and will help minimize further delay in the event that consensual resolution cannot be accomplished within a reasonable amount of time.


The Court has authority pursuant to Rule 53 of the Federal Rules of Civil Procedure to refer these matters to the Special Master. Rule 53 allows the Court to appoint a special master (a) to hold trial proceedings and make or recommend findings of fact on issues to be decided without a jury if the appointment is warranted by (i) some exceptional condition or (ii) the need to perform an accounting or to resolve a difficult computation of damages, or (b) to address post-trial matters that cannot be effectively and timely addressed by an available district judge or magistrate judge of the district. The issues referred to above involve complex accounting, tax and allocation issues, and the Special Master is uniquely qualified, given among other things the knowledge and information that she has acquired regarding this case, to address these issues, if necessary, in an effective and timely manner.

Honorable Katherine B. Forrest  
August 30, 2018  
Page 3

We have informed the Special Master that we intend to make this request and understand that she has no objection to the referral to her of any additional issues that the Court may deem appropriate.

If the Court has any questions, please contact the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Shalom Jacob', with a long horizontal flourish extending to the right.

Shalom Jacob

cc: Special Master Kathleen N. Massey